

FINANCE COMMITTEE REPORT TO CHURCH CONFERENCE

FIRST BAPTIST CHURCH

August 28, 2024

I. Review of Financial Statements

A. July, 2024 MTD

Total Revenue = \$113,540.00

Total Expenses = \$143,019.46

Revenues in Excess of Expenses = (\$29,478.67)

B. 2024 July YTD

Total Revenue: \$905,100.20

Total Expenses: \$954,032.65

Revenue in Excess of Expenses = (\$48,932.45)

C. 2023 July YTD for Comparison

Total Revenue = \$901,336.34

Total Expenses = \$914,112.85

Revenue in excess of Expenses = (\$12,776.51)

D. 2024 Carryover

Carryover as of 12/31/23 (Surplus from Prior Years) - \$335,097.59 + (Revenue in excess of Expenses for 2024) - (\$48,932.45) = \$306,165.14

II. Recommendation Regarding Staff Retirement Accounts

Due to an accounting discrepancy that will be discussed in more detail during the Church Conference, beginning in 2015 some staff retirement account contributions were not adjusted for annual salary increases during the first several months of the year. Church Administrator Wayne Hager recently discovered the problem and determined that the Church still held the funds that should have been contributed to the retirement accounts. Wayne has made arrangements to transfer those funds into staff retirement accounts.

However, an additional matter remains that that will require a vote from the Church Conference. We need to address how to compensate the staff for the fact that the contributions that should have been made would have earned some return during the relevant time period. After considering the situation and the Church's current financial position, both the Personnel and Finance Committee's are recommending using a 15% growth rate for funding staff retirement accounts to address the discrepancy. This recommendation would cost the Church \$25,777.88. Those funds would come from the Church's Carryover. For comparison purposes, using a 12.5% growth rate would cost the Church \$19,344.22. A 10% growth rate would cost the Church \$12,222.19.